

DECLARATION OF WILLIAM E. TAYLOR
REGARDING HOT CUTS

EXHIBIT 4

REDACTED – FOR PUBLIC INSPECTION

EXHIBIT 4

A. Background

I determined the number of incremental hot cuts—under three conservative assumptions—that CLECs may request that Verizon perform over a 12-month period if the Commission finds that CLECs would not be impaired without access to unbundled local switching for mass-market customers. For nine of these states, these incremental hot cuts were then used as inputs into Verizon's Force Load Model ("FLM") to predict the increased workforce that Verizon would need to meet the increased hot cut demand. The FLM took the incremental hot cut volumes that NERA provided and using a number of assumptions and factors described in the Declaration of Tom Maguire—transformed incremental hot cut volumes into increased workforce requirements.

We thus have a data set of observations for the nine states over a 12-month period that we use to estimate a statistical relationship between incremental workforce, incremental hot cuts and a number of parameters. This relationship—combined with incremental hot cut and other parameters—is then used to forecast FLM results in the remaining 17 states ("the extrapolated states"). In this exhibit I explain the approach.¹

B. Statistical Model

I estimated several pooled time-series cross-sectional ("panel") models, each following the same general form of:

$$y_{it} = \beta_0 + \beta x_{it} + c_i + \mu_{it}$$

where y_{it} is the incremental workforce in state i in month t , β_0 is a constant term, x_{it} is a set of independent variables in state i in month t that explains the incremental workforce required and β is the vector of coefficients that quantifies the impact of the independent variables on incremental workforce, c_i is an unobservable factor that varies across states but is constant over time within the state, and μ_{it} is the disturbance or error term of the model.

The independent variables that explain the number of workers required may include:

Total number of incremental hot cuts—As the number of incremental hot cuts increases, Verizon needs to hire additional employees to perform the hot cuts;

¹ The Verizon footprint actually contains 30 states. However, there were three states in which there was no embedded base of UNE-P lines as of June 2004 and one state where the number of UNE-P lines was negligible.

DECLARATION OF WILLIAM E. TAYLOR
REGARDING HOT CUTS

EXHIBIT 4

Number of UNE-P lines per central office—This variable is used to measure line density. In more dense states, Verizon may need fewer additional employees per additional hot cut, holding all other factors constant, to perform the work; and

Percent IDLC—The time required to perform a hot cut for an IDLC-provisioned loop is generally lower than for a non-IDLC provisioned loop.

As the form of the relationship between incremental hot cuts and incremental work force is not known, *a priori*, I estimated several different statistical models, including a linear relationship between number of workers and the independent variables and also linear relationships using logarithmic and polynomial transformations of the number of hot cuts.

I also explored several different assumptions about the disturbance covariance matrix and the nature of the state-specific effects. I estimated a fixed-effects model and a random-effects model, relaxing the assumptions that the disturbances are serially uncorrelated or have constant variance within a state or are uncorrelated across states.

Based on my analyses and evaluations of diagnostic tests used to assess different statistical models, I used either a logarithmic or polynomial transformation of the incremental hot cut variable in a random-effects model with a specification that accounts for heteroskedastic cross-sectional correlation and for serial correlation of the disturbances.

I also found that the models that best fit the data were those which grouped the nine states into groups of three that roughly correspond to small, medium and large states in terms of the number of incremental hot cuts. The three groups were: (I) Rhode Island, D.C. and Florida; (II) Massachusetts, Maryland, and California; and (III) New York, New Jersey and Pennsylvania. For the small-sized states, the best model was one that pooled the data from the three scenarios together and allowed a different constant term for scenario A.² For the medium-sized states, the best model allowed all coefficients to vary across the three scenarios.

Although I estimated models for the three groups of states, I only used the results from group I and II because none of the 17 extrapolated states had levels of incremental hot cuts that fell within the range of group III. In fact, with the exception of Virginia, all of the extrapolated states fell within group I.

The models I estimated are the following:

² As discussed in my Declaration, Scenario A assumes that 35% of the embedded base of UNE-Ps are converted to UNE-L, thus requiring a hot cut and it assumes that the historical UNE-P migration demand is reduced by approximately 40%.

REDACTED – FOR PUBLIC INSPECTION

DECLARATION OF WILLIAM E. TAYLOR
REGARDING HOT CUTS

EXHIBIT 4

$$Workers_{it} = \beta_0 + \beta_1 LnHotcuts_{it} + \beta_2 UNEPperCO_{it} + \beta_3 DA + c_i + \mu_{it}$$

or

$$Workers_{it} = \beta_4 + \beta_5 Hotcuts_{it} + \beta_6 Hotcuts_{it}^2 + \beta_7 UNEPperCO_{it} + c_i + \mu_{it}$$

Where β_0 is a constant term, $\beta_1 - \beta_7$ are unknown coefficients to be estimated, *Workers* is the number of incremental workers, *Hotcuts* is the number of incremental hot cuts that need to be performed, *UNEPperCO* is the number of UNE-P lines per central office, which varies by state but remains constant over the 12-month period, *DA* is a dummy variable which takes the value of one if the observation is part of scenario A, c_i is state-specific unobservable factors and μ_{it} is the disturbance term.

In none of the models that I estimated did I find that the percent IDLC was a significant factor and so I did not include IDLC in the models above.

C. Results

I present the results for the models from groups I and II below in Tables 1 and 2 below.

Table 1: Random Effects Model of Incremental Workers; Group I Sample (Rhode Island, Florida, D.C.)

Independent Variable	Coefficient	Z-Stat
LnHotcuts	50.6639	23.78
UNEPperCO	0.0017039	2.79
DA	1.850857	2.56
Constant	-377.9028	-22.17
Log likelihood	-135.6295	
Observations	108	

REDACTED – FOR PUBLIC INSPECTION

DECLARATION OF WILLIAM E. TAYLOR
REGARDING HOT CUTS
EXHIBIT 4

Table 2: Random Effects Model of Incremental Workers; Group II Sample (Maryland, Massachusetts, California)

Independent Variable	Scenario A		Scenario B		Scenario C	
	Coefficient	Z-Stat	Coefficient	Z-Stat	Coefficient	Z-Stat
Hotcuts	0.114212	9.61	0.120054	9.17	0.050159	4.09
Hotcuts²	-1.73E-06	-7.69	-1.47E-06	-8.18	-4.47E-07	-3.79
UNEPperCO	-0.061986	-12.83	-0.088457	-10.41	-0.069076	-3.20
Constant	-1411.51	-9.17	-1856.799	-7.80	-743.5318	-2.55
Log likelihood	-88.4128		-100.4547		-114.699	
Observations	36		36		36	

The results indicate that there is a strong relationship between the independent variables incremental hot cuts, UNEPper Co and whether we are predicting for scenario A, and the dependent variable, incremental workers.

The models do quite well at predicting the in-sample observations. The tables below show the average incremental workers that the FLM generated compared to the average incremental workers generated from the statistical models.

[BEGIN PROPRIETARY]

Table 3: Actual Workers vs. Predicted; Group I Sample Average (Rhode Island, Florida, D.C.)

State	Actual	Predicted
D.C.		
Rhode Island		
Florida		

REDACTED – FOR PUBLIC INSPECTION

Table 4: Actual Workers vs. Predicted; Group II Sample Average (Maryland, Massachusetts, California)

State	Scenario A		Scenario B		Scenario C	
	Actual	Predicted	Actual	Predicted	Actual	Predicted
Massachusetts						
Maryland						
California						

[END PROPRIETARY]

D. Extrapolation

I then use the results from the statistical models to calculate the number of incremental workers in the 17 extrapolated states where Verizon did not run the FLM. Table 5 below presents the results for the 17 extrapolated states.

REDACTED – FOR PUBLIC INSPECTION

DECLARATION OF WILLIAM E. TAYLOR
REGARDING HOT CUTS

EXHIBIT 4

[BEGIN PROPRIETARY]

Table 5: Workers Predicted in 17 Verizon states, Average

State	Size State	Incremental Hot Cuts	UNE-P/CO	Workers Predicted By Regression
Virginia (Group II)	Scenario A			
	Scenario B			
	Scenario C			
West Virginia (Group I)	Scenario A			
	Scenario B			
	Scenario C			
Ohio (Group I)	Scenario A			
	Scenario B			
	Scenario C			
New Hampshire (Group I)	Scenario A			
	Scenario B			
	Scenario C			
Maine (Group I)	Scenario A			
	Scenario B			
	Scenario C			
Indiana (Group I)	Scenario A			
	Scenario B			
	Scenario C			
Delaware (Group I)	Scenario A			
	Scenario B			
	Scenario C			
Others³ (Group I)	Scenario A			
	Scenario B			
	Scenario C			

[END PROPRIETARY]

³ Others consist of Texas, Vermont, Washington, South Carolina, North Carolina, Oregon, Michigan, Illinois, Hawaii and Connecticut. These states were grouped together and treated as one unit because they each had less than [BEGIN PROPRIETARY] [END PROPRIETARY] hot cuts and fell below the range of our group I small states. When summed together, however, they are within the range of group I.

REDACTED – FOR PUBLIC INSPECTION

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Unbundled Access to Network Elements)	WC Docket No. 04-313
)	
Review of the Section 251 Unbundling)	CC Docket No. 01-338
Obligations of Incumbent Local Exchange)	
Carriers)	

DECLARATION OF PETER J. CASTLETON

1. My name is Peter J. Castleton. My business address is 1095 Avenue of the Americas, New York, NY. I am employed by Verizon Services Corp. as Executive Director of Broadband Solutions. I am responsible for Verizon's marketing and sales of DSL products and services.

2. I have more than 25 years of experience in the telecommunications industry, in a variety of technical, operations, and marketing positions. Prior to my current position, I served as Managing Director, Technology and Network Planning. My education background includes a Bachelor of Science received in 1987 and an MBA received in 1990.

I. Purpose of Declaration

3. The purpose of my declaration is to show that broadband competition is thriving without line sharing and that broadband competition has *increased* significantly in the year since the Commission released the *Triennial Review Order*.¹ Prices are

¹ *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, Report and Order and Order on Remand and Further Notice of Proposed Rulemaking, 18 FCC Rcd 16978, ¶ 261 (2003) ("*Triennial Review Order*"),

declining, facilities deployment over cable, wireless, and wireline platforms – soon to be joined by power lines – is growing, and subscribership is rising by nearly 2 million customers every quarter.² In short, consumers are getting all the benefits of real competition. Indeed one competitor, EarthLink, has highlighted the existence of vigorous broadband competition and the benefits that it has brought to the market: “The intensity of competition in the telecommunications industry has resulted in significant declines in pricing for telecommunications services that we purchase, and such declines have had a favorable effect on our operating performance.”³

4. Imposing an asymmetrical line-sharing obligation on Verizon and other incumbent carriers in such a competitive market only increases cost and decreases competition. Indeed, the Commission properly explained just last year that line sharing hindered real, facilities-based broadband competition. In the Commission’s words, line sharing “skew[ed] competitive LECs’ incentives” and ran “counter to the statute’s express goal of encouraging competition and innovation in all telecommunications markets.” *Triennial Review Order* ¶ 261. Recent events, including the significant recent decline in broadband prices and the increases in broadband availability and subscribership, further confirm that competitors are not impaired without unbundled access to line sharing.

vacated in part and remanded, USTA v. FCC, 359 F.3d 554 (D.C. Cir. 2004), *petitions for cert. pending, NARUC et al. v. USTA*, Nos. 04-12, 04-15, & 04-18 (U.S. filed June 30, 2004).

² See, e.g., See R. Bilotti, *et al.*, Morgan Stanley, *Broadband Update: Bundling Is an Arms Race, Not a Price War* at 11, Exhibit 7 (July 8, 2004) (estimating that an average of approximately 1.8 million residential cable modem and DSL subscribers were added each quarter between June 2003 and June 2004).

³ EarthLink, Inc., Form 10-K at 10 (SEC filed Mar. 5, 2004) (“EarthLink Form 10-K”).

5. My declaration contains information collected from publicly available sources as well as information collected from internal Verizon databases. The sources of publicly available information used are identified in these documents.

II. Broadband Competition Is Thriving Without Line Sharing.

6. When all competing broadband providers, including cable modem providers, are considered, competitors are not “impaired” without line sharing. As explained in the declaration of Michael J. Hassett and Vincent J. Woodbury (Attachment I), cable modem service and other broadband services are widely available both nationally and in Verizon’s service areas in particular. Approximately 90 percent of U.S. households are now able to obtain a broadband connection from a provider other than their incumbent local telephone company, principally cable modem service.

Hassett/Woodbury Decl. ¶ 36. In the top 50 MSAs where Verizon provides local telephone service as an incumbent, cable modem service is available to roughly 92 percent of the population. Hassett/Woodbury Decl. ¶ 37. The Commission has already recognized that, in addition to cable and DSL, there are numerous additional platforms and technologies already competing in or poised to enter the broadband mass market, including power lines, fixed wireless, 3G mobile wireless, and satellite.⁴

⁴ See, e.g., *Inquiry Concerning the Deployment of Advanced Telecommunications Capability*, Third Report, 17 FCC Rcd 2844, ¶¶ 79-88 (2002); *Triennial Review Order* ¶ 263 (“[T]he Commission also has acknowledged the important broadband potential of other platforms and technologies, such as third generation wireless, satellite, and power lines.”) (citing *Third Section 706 Report 2002*, 17 FCC Rcd 2844, ¶¶ 79-88 (2002)); R. Mark, *Broadband over Power Lines: FCC Plugs In*, Internetnews.com (Apr. 23, 2003), <http://dc.internet.com/news/article.php/2195621> (Chairman Powell: “[t]he development of multiple broadband-capable platforms – be it power lines, Wi-Fi, satellite, laser or licensed wireless – will transform the competitive broadband landscape.”).

7. Mass-market customers are buying broadband service at a rapid rate.

Independent analysts estimate that 5.4 million residential broadband subscribers were added between the end of June 2003 and the end of March 2004, and that approximately 1.7 million residential broadband subscribers were added in the second quarter of 2004 alone.⁵ About 28 million customers – 25 percent of U.S. households – currently subscribe to broadband service; 30 percent will by the end of 2004, and almost 40 percent by the end of 2005. Hassett/Woodbury Decl. ¶ 38.

8. Customers are subscribing to cable modem service even more rapidly in

Verizon's service areas. In states served by Verizon, there were more than 11 million cable modem subscribers by the end of 2003, which reflects a 46 percent increase in cable modem subscribers in the last year alone. Hassett/Woodbury Decl. ¶ 39.

9. The Commission's own statistics continue to show that cable providers

serve a substantial majority of broadband customers without using UNEs. According to a Commission report issued in June 2004, more than 63 percent of residential and small business customers receiving over 200 kbps per second service in at least one direction subscribe to cable modem, as opposed to just 34 percent that rely on DSL.⁶ Of customers that receive more than 200 kbps in both directions, 85 percent use cable modem, while only 13 percent use DSL.⁷

⁵ See R. Bilotti, *et al.*, Morgan Stanley, *Broadband Update: Bundling Is an Arms Race, Not a Price War* at 11, Exhibit 7 (July 8, 2004).

⁶ See Indus. Anal. & Tech. Div., Wireline Competition Bureau, FCC, *High-Speed Services for Internet Access: Status as of December 31, 2003*, at Table 3, Chart 6 (rel. June 8, 2004) ("2004 High-Speed Internet Report").

⁷ See *id.*, Table 4.

10. Relying on the de-regulatory promises made when the Commission announced its *Triennial Review Order*, Verizon has significantly increased the reach of its broadband services. Verizon invested more than \$600 million since the beginning of last year to increase the availability of Verizon's DSL services. By the end of last year, Verizon expanded the reach of its broadband services by more than 10 million additional DSL-qualified lines, making 80 percent of Verizon's lines DSL-qualified. Verizon plans to continue this expansion of DSL availability, with the goal of adding another 7 million DSL-qualified lines this year.

11. Facilities-based broadband investment and competition is not limited to cable and wireline. The Commission itself recently stressed that "[b]roadband Internet access services are rapidly being developed or provided over technologies other than wireline and cable, such as wireless and powerline."⁸ And Chairman Powell emphasized in June 2004 that "[w]e're beginning to see greater uses of wireless mobile broadband products, such as EvDO coming into the market place . . . These are true commercial applications that are rapidly spreading throughout the market place."⁹

12. Wireless carriers are now deploying broadband capabilities that are comparable to cable and DSL. High-speed Internet access is also available at over

⁸ *Communications Assistance for Law Enforcement Act and Broadband Access and Services*, Notice of Proposed Rulemaking and Declaratory Ruling, 19 FCC Rcd 15676, ¶ 37 n.82 (2004); see also Kathleen Q. Abernathy, Commissioner, FCC, *Promoting the Broadband Future*, Keynote Address at Supercomm Conference at 2-3 (June 22, 2004) ("As a result of the consumer benefits and efficiencies, wireline telecommunications carriers, cable operators, wireless carriers, satellite operators, electric utilities, and others are racing to build out broadband networks"), available at http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-248688A1.pdf.

⁹ Michael K. Powell, Chairman, FCC, Remarks at the Wireless Communications Association International, Washington, D.C. at 2 (June 3, 2004), available at http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-248003A1.pdf.

15,000 and growing WiFi hot spots located throughout the U.S.¹⁰ Another major development is the adoption of an industry-wide standard for fixed wireless broadband, commonly known as WiMax, that is designed to provide “a wireless alternative to cable, DSL and T1/E1 for last mile broadband access,” and that can “also be used as complimentary technology to connect [Wi-Fi] hot spots to the Internet.”¹¹ It is now estimated that these advances could make “last-mile WiMAX connections cheaper than cable and DSL solutions.”¹² TowerStream is offering high-speed Internet access through WiMAX technology in Los Angeles, New York City, Chicago, Boston, Providence and Newport.¹³ Craig McCaw’s Clearwire launched wireless broadband service in Jacksonville, Florida last month and plans to launch service in twenty markets next year.¹⁴

¹⁰ See, e.g. Forbes, *Hot Spot Finder*, at <http://forbes.jiwire.com/> (15,958 hotspots in the U.S. as of September 2004).

¹¹ See WIMAX Forum, *WIMAX Overview* at 1, available at <http://www.wimaxforum.org> (“*WIMAX Overview*”). The standard was approved by the IEEE and released January 29, 2003. WIMAX Forum, *WIMAX FAQs* at 1, available at <http://www.wimaxforum.org> (“*WIMAX FAQs*”). Initial vendor tests are scheduled for the third quarter of 2004, *WIMAX Overview* at 2, and certified equipment is expected in the market by the second half of 2004, *WIMAX FAQs* at 2.

¹² M. Hogan, *To the WiMAX: A New Protocol Spices Up the 802.X Alphabet Soup*, Entrepreneur (Dec. 1, 2003) (citing Intel marketing manager Margaret LaBrecque); see also M. Stone & D. Chang, *Great Expectations for WiMAX*, Wireless Data News (Dec. 17, 2003) (“It’s true that WiMAX infrastructure likely will be less expensive than existing infrastructure, and the lower entry costs will encourage new market entrants.”).

¹³ TowerStream Press Release, *TowerStream Announces Fixed Wireless Expansion into Los Angeles* (Sept. 13, 2004) at <http://www.towerstream.com/09132004.asp>.

¹⁴ Internetweek.com Mobile Pipeline, *McCaw’s Clearwire Launches Wireless Broadband Service* (Aug. 27, 2004) at <http://www.internetweek.com/showArticle.jhtml?articleID=45200012>

13. This robust competition has led to the consumer benefits one would expect. Broadband prices are falling, with DSL providers leading the way in reducing rates and increasing download speeds. Verizon was the leader in cutting DSL prices. Earlier this year, Verizon lowered DSL prices to \$34.95 per month (or \$29.95 when bundled with phone service), while increasing download speeds to 1.5 Mbps from 768 kbps.¹⁵ In May 2004, Verizon announced an additional tier of consumer DSL service with a maximum connection speed of 3Mbps/768 kbps.¹⁶ In addition, Verizon has rolled out a new symmetrical DSL offering designed to compete with cable modem services for small and medium-sized business customers.¹⁷ Cable operators have responded in kind with promotional and targeted price reductions and by increasing data speeds (which effectively lowers the price of bandwidth).¹⁸

14. Moreover, line sharing is not and has never been a significant competitive factor in the marketplace: it accounts for only a tiny fraction of the broadband market. According to the Commission's most recent report on high-speed Internet access, ADSL service provided by competing broadband providers represented approximately 1.7

¹⁵ See Declaration of Jerome Holland ¶¶ 3-4, CC Docket No. 01-338 (filed Mar. 29, 2004).

¹⁶ See Verizon Press Release, *Verizon to Expand DSL Offerings With New, Higher-Speed Service and Voice-Over-IP Package* (May 4, 2004) at <http://newscenter.verizon.com/>.

¹⁷ See Letter from Richard Ellis, Verizon, to Marlene Dortch, FCC, Transmittal No. 343 (filed July 22, 2003) available at http://svartifoss2.fcc.gov/cgi-bin/ws.exe/prod/ccb/etfs/bin/binary_out.pl?59867 (filing revisions to Verizon Tariff FCC Nos. 1 & 20 to introduce Verizon Infospeed Premium Digital Subscriber Line Service, a high-speed symmetrical data-only access service).

¹⁸ See, e.g., G. Campbell, *et al.*, Merrill Lynch, *3Q03 Broadband Update* at 2 (Nov. 3, 2003) (cable operators "are increasingly moving 'off the rate card', with market-specific pricing and increased use of promotional and bundled-price discounts specific to certain markets").

percent of mass-market broadband connections (which the Commission defines as including residence and small-business customers) as of year-end 2003.¹⁹ In the Verizon-East territory (*i.e.*, the former Bell Atlantic region) competing broadband providers used line sharing to serve only about 20 percent of their DSL customers;²⁰ the rest of their customers are served over stand-alone loops. Applying this 20 percent use factor to the 1.7 percent competing broadband providers' share of the mass market indicates that line sharing represents only approximately 0.3 percent of the broadband mass market. Even if the share of competing broadband providers' customers served via line sharing were double or even triple the 20 percent that Verizon has previously reported, line sharing would still account for substantially less than one percent of the market. In view of this minuscule market share figure, the substantial costs associated with mandatory line sharing produced no meaningful pro-competitive benefits – and the elimination of line sharing can result in no impairment to competitors.

15. The advent of VoIP over the past year itself undermines any possible rationale for line sharing. Line sharing assumes that, while the high-frequency portion of the loop is used to provide data services, the incumbent carrier will continue to use the low-frequency portion to offer voice services. But with the advent of VoIP, voice and data are no longer carried on different wavelengths. Voice is just another application over broadband. There is therefore no plausible argument that competitors need line sharing.

¹⁹ 2004 *High-Speed Internet Report*, Table 5. In considering the competitive impact of line sharing, it is appropriate to focus on ADSL because line sharing is technically incapable of supporting SDSL services.

²⁰ See Ex Parte Letter from Susanne Guyer, Verizon, to Marlene Dortch, FCC, CC Docket Nos. 01-338 *et al.* at 1-2 (May 19, 2003).

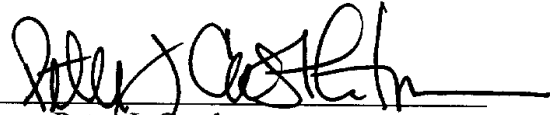
16. Competing broadband providers will continue to be able to provide DSL services. Negotiations are underway among incumbent carriers and competing broadband providers to continue line-sharing arrangements and other wholesale DSL services on negotiated terms and conditions. Some of these negotiations have already born fruit: Qwest and SBC, for example, already have agreements in place with various competing broadband providers, including Covad, to continue line sharing. Verizon has entered an interim line-sharing agreement with Covad that will remain in effect through January 31, 2005, while both companies work toward a longer-term commercial agreement. In addition, EarthLink has agreements in place with BellSouth, SBC, Qwest, and Verizon to use their networks to reach its customers.²¹ In fact, even though Verizon was not required to do so, Verizon negotiated and developed a wholesale arrangement that EarthLink had requested to provide DSL service to its customers. EarthLink also has agreements to provide broadband services over Time Warner Cable and Bright House networks.²² Hence, there is no reasonable prospect that competitive LECs will be unable to continue to serve as many customers via DSL as they desire.

²¹ See EarthLink Form 10-K at 6.

²² See *id.*; EarthLink, Inc., Form 10-Q at 13 (SEC filed Aug. 9, 2004).

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on October 1, 2004

A handwritten signature in black ink, appearing to read "Peter L. Castleton", written over a horizontal line.

Peter L. Castleton

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Unbundled Access to Network Elements)	WC Docket No. 04-313
)	
Review of the Section 251 Unbundling)	CC Docket No. 01-338
Obligations of Incumbent Local Exchange)	
Carriers)	

DECLARATION OF THOMAS E. CHURCH

1. My name is Thomas E. Church. My business address is 13930 Minnieville Road, Woodbridge, Virginia. I am employed by Verizon as Senior Product Manager. I am responsible for collocation by competitive carriers in Verizon's remote terminal equipment enclosures.

2. I have more than 20 years of experience in the telecommunications industry, in a variety of technical and management positions. Prior to my current position, I served as a station technical controller, communications control technician, customer service engineer, central office technician, supervisor, project manager and product manager.

3. The purpose of my declaration is to show that competitors would not be impaired without access to Verizon's remote terminal equipment enclosures through collocation.

4. Verizon has made available collocation in its remote terminal equipment enclosures for at least four years. Verizon developed interconnection agreement language setting forth the terms and conditions for collocation in remote terminals and

included this language in its model interconnection agreement. Verizon has signed many interconnection agreements with provisions for collocation in remote terminal equipment enclosures. In addition, Verizon filed intrastate tariffs offering collocation in remote terminals in Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia. Verizon also made available to competing carriers application forms and other information concerning collocation in remote terminals. *See*

http://www22.verizon.com/wholesale/local/collocation/portal/1,20615,c_remote,00.html.

5. During the four-year period that Verizon has offered collocation in remote terminals, no competitive carrier has established such collocation in any Verizon remote terminal. In addition, Verizon has also not received from any competing carriers forecasts of demand for collocation in remote terminals.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on October 1, 2004

A handwritten signature in black ink, appearing to read "Thomas E. Church", written over a horizontal line.

Thomas E. Church

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on October 1, 2004

A handwritten signature in black ink, appearing to read "Thomas E. Church", written over a horizontal line.

Thomas E. Church

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

RECEIVED

OCT - 4 2004

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Unbundled Access to Network Elements

Review of the Section 251 Unbundling
Obligations of Incumbent Local Exchange
Carriers

WC Docket No. 04-313

CC Docket No. 01-338

ATTACHMENTS TO VERIZON COMMENTS

VOLUME 4

MASS-MARKET SWITCHING

Tab O: Maps

New York-Newark-Edison, NY-NJ-PA

Connecticut

New York

New Jersey

Coverage by Total Number
of Competitors



Within MSA boundary:



New York-Newark-Edison, NY-NJ-PA

Connecticut





New York

Pennsylvania



New Jersey

Cable Modem Service Availability

95-100% of the population within the MSA has access to cable modem service and VoIP service

-  Cablevision
-  Comcast Cable Communications Inc.
-  Time Warner Cable
-  Remaining Carriers

Within MSA Boundary:

-  Verizon Service Territory
-  Non-Verizon Service Territory

New York-Newark-Edison, NY-NJ-PA

